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FOR IMMEDIATE RELEASE
THURSDAY AUGUST 4, 2005

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**FORMER CHICAGO PARK DISTRICT OFFICIAL AND LANDSCAPING
EXECUTIVES INDICTED IN ALLEGED BRIBERY AND FRAUD SCHEME**

CHICAGO – A former Chicago Park District official and a current and a former executive of a Mundelein landscaping company were indicted on federal charges for allegedly engaging in a bribery and fraud scheme in which the contractors funneled cash and valuable gifts totaling more than \$137,000 to the official in return for landscaping and holiday lighting contracts totaling more than \$8 million over four years, federal authorities announced today. The alleged scheme included awarding contracts totaling approximately \$1.3 million for landscaping and lighting work at Millennium Park in downtown Chicago. Defendant **Shirley McMayon**, the Park District's former Director of Natural Resources, allegedly received payments totaling approximately \$123,800 and free vacations in Michigan, Wisconsin, Utah and Illinois, computers, a bicycle, a spa gift certificate and tickets to sporting events for herself, her family, and friends in exchange for using her influence to recommend contracts, assign work and approve invoices for the vendor, James Michael, Inc., the Mundelein landscaping company.

Defendants **Michael Lowecki**, the owner and chief executive officer of James Michael, and **John Kevin Haas**, who was the controller and chief operating officer of James Michael until November 2001, allegedly provided the financial and other benefits to McMayon.

McMayon, 47, of Park City, Utah, and formerly of Chicago, and Lowecki, 45, of Libertyville, were each charged with five counts of mail fraud, one count of wire fraud and three counts of bribery involving programs receiving federal funds in a 12-count indictment that was returned by a federal grand jury late yesterday and announced today by Patrick J. Fitzgerald, United States Attorney for the Northern District of Illinois, and Robert D. Grant, Special Agent-in-Charge of the Chicago Office of the Federal Bureau of Investigation.

Haas, 56, of Gurnee, was charged with one count each of mail fraud and wire fraud, and, through his attorney, authorized the government to disclose that he is cooperating in the investigation.

The indictment also seeks forfeiture of all profits received by Lowecki and Haas from their business with the Park District between August 2000 and December 2004, as well as forfeiture of more than \$137,000 in cash, vacations and other benefits received by McMayer.

All three defendants will be arraigned at a later date in U.S. District Court in Chicago.

According to the indictment, McMayer worked for the Park District from June 1999 until December 2004, first as Deputy Director of Landscaping, and then as Director of Natural Resources beginning in June 2001. As part of her duties, McMayer oversaw the contract proposal process, supervised the contract proposal evaluation committee, and made recommendations to the Park District Board regarding which companies should receive the District's annual landscaping contracts and holiday lighting contracts. McMayer was also responsible for assigning Park District work to the companies who received the contracts, and for approving the invoices submitted by these companies.

The James Michael company was awarded Park District Landscaping Contracts for the years 2000-2004 and Holiday Lighting Contracts for the years 2001-2004. Under the 2000 and 2001 Landscaping Contracts, the firm provided planting and installation work at various parks throughout the Park District, including, Gold Star Memorial Park, Garfield Park, Grant Park, Lincoln Park, Marquette Park and Jackson Park. Under the 2002-2004 Landscaping Contracts, James Michael primarily worked at Millennium Park, performing landscape maintenance and installation. Under the 2001-2004 Holiday Lighting Contracts, James Michael supplied, installed and removed holiday lights, wreaths and displays at various parks, bridges and fountains, including Logan Monument Fountain, Buckingham Fountain, North Avenue Pedestrian Bridge, Congress Plaza, Legions Park Fountain, and Millennium Park.

The indictment alleges that between May 2000 and November 2004, the defendants schemed to defraud the Park District of money and the right to McMayon's honest services. Between May 2000 and December 2002, Lowecki and Haas allegedly paid cash bribes and gifts to McMayon to influence her; between May 2000 and November 2004, McMayon allegedly took official actions to reward James Michael in exchange for the benefits she received; and Lowecki and Haas submitted false invoices to the Park District, which McMayon approved for payment, including fraudulent invoices for landscape architectural services, professional development, an electronic global positioning satellite system and digital cameras.

The indictment lists the following cash and check payments totaling approximately \$123,800, vacations costing a total of approximately \$7,300, and other valuable items totaling approximately \$6,100, which Lowecki and Haas allegedly provided for McMayon's benefit:

- ▶ Seven wire transfers of cash from James Michael's bank account to McMayon's bank account between Dec. 20, 2000, and June 26, 2002, totaling \$87,368;

- ▶ a \$22,236 check from James Michael to Chrysler Financial Co., mailed on Jan. 2, 2001, to pay the entire balance McMayon owed on her 1999 Dodge Durango;
- ▶ a \$2,200 check dated March 8, 2002, from James Michael to McMayon;
- ▶ a \$5,100 check dated Nov. 29, 2002, from James Michael to McMayon's landlord, B & R Developers;
- ▶ a \$6,900 check dated Dec. 3, 2002, from James Michael to McMayon's son;
- ▶ in May 2000, a vacation for McMayon and her guests to spend two nights at the Copa Cabana resort in the Wisconsin Dells, Wis., at a cost of \$432;
- ▶ in July 2000, a vacation for McMayon and her family to spend two nights, including golf and meals, at the Wilderness Lodge in the Wisconsin Dells, at a cost of \$676;
- ▶ in September 2000, a vacation for McMayon and her family to spend two nights, including golf and meals, at the Eagle Ridge Inn and Resort in Galena, Ill., at a cost of \$1,884;
- ▶ in November 2000, a vacation for McMayon and her guest to spend the night of Nov. 18, 2000, at the Osthoff Resort in Elkhart Lake, Wis., including food, gifts, bathing suits and robes purchased at the resort, at a cost of \$485. Lowecki and Haas also provided McMayon with tickets to the Nov. 19, 2000, football game at between the Green Bay Packers and the Indianapolis Colts in Green Bay, Wis.;
- ▶ in December 2000, a vacation for McMayon and her sons to spend from Dec. 22, 2000, to Dec. 27, 2000, at Big Powderhorn ski resort in Bessemer, Mich., at a cost of \$970;
- ▶ on Feb. 16, 2001, a ski vacation for McMayon and her sons to The Canyons Resort in Park City, Utah. Lowecki and Haas caused a \$2,800 check from James Michael to be mailed to the home address in Louisiana of a friend of McMayon;
- ▶ on July 25, 2000, a \$250 gift certificate to Mario Tricocci salon, which McMayon used on Oct. 2, 2000, to receive a haircut, massage, manicure, pedicure, and other services;

- ▶ on Oct. 27, 2000, a Gateway computer and accessories for McMayon's son, at a cost of approximately \$1,976, which were shipped to McMayon's son at his address in Lafayette, La.;
- ▶ on Jan. 8, 2001, an NCI computer and accessories at a cost of \$2,284;
- ▶ on June 11, 2001, a Lemond Buenos Aires bike, bike gloves and a bike helmet, purchased at a cost of \$1,589.

In return, the indictment alleges, while McMayon was receiving these undisclosed financial benefits from Lowecki and Haas, and approving James Michael invoices and recommending to the Park District board that they be paid, James Michael received approximately \$8 million in Park District funds in connection with the following contracts:

- ▶ approximately \$3,169,000 under the 2000 Landscaping Contract;
- ▶ approximately \$2,332,000 under the 2001 Landscaping Contract;
- ▶ approximately \$321,000 under the 2001 Holiday Lighting Contract;
- ▶ approximately \$1,239,000 under the 2002 Landscaping Contract;
- ▶ approximately \$263,000 under the 2002 Holiday Lighting Contract;
- ▶ approximately \$262,000 under the 2003 Landscaping Contract;
- ▶ approximately \$168,000 under the 2003 Holiday Lighting Contract;
- ▶ approximately \$270,000 under the 2004 Landscaping Contract; and
- ▶ approximately \$28,000 under the 2004 Holiday Lighting Contract.

"The defendants in this case used the Park District's coffers as a personal playground," Mr. Fitzgerald said. "As we've said before, individuals who serve in positions of public trust must serve the interests of the public and not steal for themselves. By taking bribes to steer lucrative contracts to a corrupt vendor, the defendants allegedly not only enriched themselves, but they denied a level-

playing field to honest contractors who could not compete for public contracts because they were not lining the pockets of a public official,” he said. “It is particularly appalling that the defendants agreed to have the Park District foot the bill for these bribes by submitting and approving invoices for work and goods – including a global positioning satellite system – that were not provided.”

Mr. Grant added: “This case again demonstrates that the FBI and the U.S. Attorney’s Office will investigate and prosecute both public officials who put personal gain above the public’s interests, as well as private individuals who undermine the integrity of the process by which public contracts are awarded.” Mr. Grant also encouraged anyone with information about suspected corruption in state, county and local government to call the FBI’s anti-corruption hotline, which is (312) 786-2686.

The government is being represented by Assistant U.S. Attorneys Scott Levine and Nancy L. Miller.

Upon conviction, the charges in the indictment carry the following maximum penalties: mail fraud and wire fraud – one count of mail fraud carries a maximum of 20 years in prison while the remaining counts each carry a maximum of 5 years, and a \$250,000 fine on each count, and bribery – 10 years in prison and a \$250,000 fine. As an alternative maximum fine, the Court could impose a fine of twice the gross profit to any defendant or twice the loss to any victim, whichever is greater. Restitution is mandatory. The Court, however, would determine the appropriate sentence.

The public is reminded that an indictment contains only charges and is not evidence of guilt. The defendants are presumed innocent and are entitled to a fair trial at which the government has the burden of proving guilt beyond a reasonable doubt.

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